

STATE OF ALASKA

DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT

DIVISION OF INSURANCE

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BULLETIN 96-07

TO: ALL INSURANCE COMPANIES, HOSPITAL OR MEDICAL SERVICE CORPORATIONS, RATING ORGANIZATIONS, AND UNDERWRITING ORGANIZATIONS MAKING RATE, RULE, OR FORM FILINGS IN ALASKA.

RE: FILING PROCEDURE FOR RATES, RULES, MANUALS, RATING PLANS, AND FORMS.

The Alaska Division of Insurance (ADOI) has been active in seeking efficiencies in the performance of duties imposed by Alaska statutes. One area where this has been difficult is in the filing process, in part due to the large volume and the diversity of approaches used by insurance companies in making filings. Early in 1993, the ADOI implemented a computerized data base in which all incoming filings are logged and tracked. On January 28, 1993, Bulletin 93-03 was released describing the kinds of information required to be included in a filing in order to effectively use the new system. The procedures outlined at that time were adopted in regulation form effective December 4, 1994. Notice of the adoption was provided through Bulletin 95-01 issued on January 31, 1995.

The initial setup of a log entry is made by a filing clerk, and proper logging is dependent on the information provided. The logging process cannot be accomplished without complete data. For this reason, it is important that the procedures established in the regulations be carefully followed. Omitted data has caused ADOI to send numerous letters to insurers explaining how their filings were defective and what information needed to be included in future filings. Despite this extra effort, filings continue to be made without the necessary information.

Effective immediately, the ADOI will no longer accept filings that do not comply with the requirements set forth in the regulations. Incomplete filings will no longer be accepted. Incomplete filings will be returned, unprocessed, to the sender with a letter similar to that attached to this bulletin. Companies who do not have a copy of the regulations may contact the division and request a copy of Bulletin 95-01.

The division will accept filings that do not include a requested effective date, however, once the filing is approved, it will automatically become effective on the default date specified by Alaska statute. This date may not be convenient for many companies and may cause the company to be in violation of Alaska statute if they cannot implement the filing on that date. All companies are strongly encouraged to include a requested effective date on their filings. For a copy of Bulletin 95-03 explaining how effective dates are determined by our statute, please contact the division.

Much of the critical information required is primarily mechanical as can be seen from our attached rejection letter. The following sample caption lines may be helpful in avoiding a rejection letter:

Sample #1:

Re: 0000-00000 ABC Insurance Company
0000-00000 DEF Insurance Company
Form Filing - Commercial Automobile Insurance
Form: CA45678 (Ed. 6/96) Extended Nonowned Coverage
Our Filing No.: AK-CA96-14
Requested Effective Date: September 1, 1996

Sample #2:

Re: 0000-00000 GHI Insurance Company
Rate Filing - Homeowners Insurance
Home Office Extension Coverage
Our Filing No.: HO-AK-00417-2
Requested Effective Date: September 1, 1996

Sample #3:

Re: 0000-00000 JKL Insurance Company
Rate Filing - Commercial Inland Marine Insurance
Revised Loss Cost Multiplier
Our Filing No.: 3AKIM-0696-2
Requested Effective Date: August 1, 1996 - New business

October 1, 1996 - Renewal business

These samples are not intended to be all inclusive, but to provide guidance as to how compliance may be achieved. Compliance with the regulations will assist the ADOI staff in expediting its review of filings and your early introduction of approved changes.

It is important that the initial filing of a rate, rule, or form be addressed to the director and not to a specific analyst. Responses to a question on a filing that has been made should be addressed to the analyst generating the question.

It is also important that rates and/or rules be filed separately from form filings. It is permissible to include copies of the forms in a rate or rule filing or rates/rules in a form filing, but the filer must clearly state which of the two (rate/rules or forms) are being filed. The other information will be considered to be submitted for informational purposes only, and approval of the filing will not extend to that additional material. If the filing does not clearly state whether it is a form filing or a rate/rule filing, it will be rejected as an inappropriate combination of rate/rule and forms in a single filing. If a filer is making simultaneous filings of rates/rules and forms, the rate/rule filing must clearly state that there is a companion form filing and vice versa.

This bulletin does not replace any previously-issued bulletins or orders.

Done this 1st day of August, 1996 at Juneau, Alaska.



Marianne K. Burke
Director of Insurance

SAMPLE REJECTION LETTER

To: _____

Company: _____

Your letter and enclosures are being returned as they do not constitute a filing per 3 AAC 31.200.240 and 3 AAC 31.900. For your reference, Bulletin B95-01 with the regulations is enclosed. Submissions without the required items are returned to the filer. On resubmission, please note the items checked below.

____ 1. Rate/Rule filings must be submitted separately from Form filings. If related Rate/Rule and Form filings are submitted, your cover letter must cross-reference each filing. 3AAC 31.210(b)

____ 2. Your filing did not contain **three copies of the cover letter and two self-addressed, stamped return envelopes.** 3AAC 31.210(e)

____ 3. The cover letter must clearly indicate the following information. Your filing did not include:

____ The **NAIC Group number (four digits), the NAIC Company number (five digits)** and/or the **name of the company or companies making the filing.** (This requirement does not apply to rating organizations.) 3AAC 31.220(b)(1)

____ The **type of filing (rate/rule, form, etc.).** 3AAC 31.220(b)(3)

____ The **line of business** to which the filing applies. 3AAC 31.220(b)(4)

____ If a form filing, the **form number, edition date, and the name of the form.** 3AAC 31.220(b)(7)

Thank you.
Anna Witt
Administrative Clerk